

*As submitted by Mayor Green on
Monday, December 15th, 2008*

Mayor's Report for Monday December 15th, 2008

It has been a very interesting couple of weeks to say the least. I have been very well received by all staff who have been incredibly helpful as we went through our transition sessions and meetings. Throughout this period I have requested and been given the opportunity to tour most of our facilities (the rest are being scheduled) and to meet our staff, including attending our Operations Christmas Luncheon last week. I want to publically thank our Administrator Mark Bakken for all of his help and assistance through this period. I have had private meetings with all of our department heads, allowing us to get to know each other and for both sides to ask questions. The support I have received to-date from staff has been nothing but exceptional.

The learning curve has been steep, but we are getting through that in good order. From attending my first Translink Mayors' Council Meeting to numerous one on ones with residents and interested parties I have kept myself busy covering 12 - 14 hour days - which I fully expect will continue into the very distant future.

I am approaching my responsibilities as your Mayor with a commitment to delivering on my platform and promises as outlined in my Inaugural Address of December 1st. My many years of experience in my own business, senior management positions and municipal government will serve me well. There will always be surprises which we can and will deal with going forward.

The primary tenant that I ran on and I believe that which was instrumental in my election victory was the absolute need for openness, transparency and fiscal responsibility, and that is exactly what I intend to deliver. Since my election I have been on a steep learning curve as I have mentioned and have undergone a series of briefing and transition sessions.

The most noteworthy of these briefings was an update on our NEW Event Center. Now before I go into this issue I want to address what I believe are signs (and it is very early - only two weeks into our term) that there are those in the community who are either trying to refight the past election or are intent on fighting the next election. We have seen signs of broadcast email campaigns full of gossip, untruths and innuendo being spread throughout the Township.

This happened last week in the case of firefighters - the story being spread was that we were renegeing on our promise of full time firefighters. NOT TRUE!

Now it is being said that we are not going to fully fund the needs of the Event Center ie cover the \$5 million Federal Govt shortfall and the Naming cost of \$1.4 million. NOT TRUE!

I really don't want to burst their bubble (whoever **they** are) but their campaigns have had absolutely no affect on me going forward, but they are doing a serious disservice to the community by spreading misinformation. Now I can't imagine where these fictitious stories are coming from, although it wouldn't take more than 5 seconds of thought (if I was interested in wasting that much time) to pin the source down.

At this time I want to stress a very important message to all of our citizens, if you are concerned about an issue or rumor, have a question to ask or want clarification of any kind please contact me directly at your municipal hall - my office number is 604 533-6000 or by email at rgreen@tol.bc.ca.

Now back to our New Event Center - After we get beyond all of the warm and fuzzy feelings about this new facility being built in our community and believe me when I say that in many ways I feel exactly the same way, comes the reality of it's financial implications. You elect a Mayor and Council to protect your best interest and hope they keep themselves grounded staying focused on the communities best interest which includes it's need but always on the affordability and liability to ALL of it's taxpayers. Unfortunately out of our briefing came a very significant revelation.

Since the announcement of this facility in December of 2006 Langley Residents have been told that this is a P3 Agreement between the Township, the Provincial Government and the Langley Development Group (A private organization).

This statement has been made repeatedly in public press releases since December of 2006. This is a very significant statement, as anyone who has been in business and understands P3s knows that under certain circumstances they can work very well. Primarily their function is to spread the risk either in capital construction and/or operations over to the private partner. (I have a detailed information piece on P3s published by the provincial government if anyone wishes to better understand what is at issue)

In my due diligence since receiving an in-camera Event Center report the week before last I have discovered we in fact DO NOT have a signed P3 agreement with our private partner and yet we are close to finishing the project.

We have a construction contract but not a P3. This is a very significant development and has potential serious implications going forward.

As should have been the case, with a proper P3 agreement in place from the start that dealt with capital construction, operations or any other aspect of the development there would be no issues of dispute and neither side would be able to leverage one issue or side against the other. In the absence of a P3 there are numerous issues that are open for discussion, debate, negotiation and disagreement. Therefore the negotiations to solve the outstanding issues will not necessarily be easy or favorable but I assure you that I will work hard to ensure your interests are protected as best we can.

The issues will be around the return on investment for the private partner which I am told will be in the area of shared revenue and the potential return from some property development? What does that mean? At what cost to the Township? Remember this partner has put in \$15 million and will expect his return on investment which is exactly what he should expect. He has made a significant investment. I could go on and on, but in keeping with my commitment to openness and transparency this information had to be made public as soon as it was known. The responsibility for the decisions that got us to this point has to rest at the top and I will leave that there for now.

I have sought counsel from respected experts in municipal government and business and without exception there is nobody that can understand how this was allowed to happen.

As far as the financials are concerned – another surprise that we received was that the \$5 million expected from the federal government did not materialize and that we are now faced with a \$1.4 million fee for naming rights that will pay for enhancements. Both of these would not have been at issue, in terms of liability **had we had an executed P3 agreement**. The funding of these two items – the where from NOT whether we would, is what I wanted time to consider going back to receiving this report in camera and that was very clearly articulated.

Although there has never been a doubt in my mind (I am only one vote on council) that we would finish off the center properly and on time (Remember we are committed to the 2010 Summer Games and all of it's needs along with the needs of our new partners) the issue of how we fund the shortfall had to have more in depth discussion. I would suggest that the funds in reserve do not have a tag on them marked for the Event Center. The suggestion that we have the money in our reserves so we will just pull it from there is not satisfactory to me as one member of your council. That may ultimately be our best choice but the options need further examination. For this reason and only this reason I would like council to consider a referral of this issue where from to our NEW Standing Council Committee of Finance for their recommendation to council.

On a similar vain council to-date has not been receiving any financial accounting or up-dates as to the status of this project in terms of how we are doing based on construction progress to budget. This should be a normal procedure and process as Mayor and Council have the ultimate responsibility for the final outcome. I have instructed staff to initiate regular updates to Mayor and Council providing information dealing with dollar totals and progress on a regular basis. In discussion with our Project Manager Jason Winslade I am advised that we are within budget, so as to those unfounded rumors once again in this case that we are over budget, that is not the case. Since the first figure of \$45 million was identified additional partners have come on board to reach our current total, and subsequent enhancements agreed to.

I must add, just so that when someone gets the next broadcast email from those wishing to continue fighting the last election this issue has in know way affected one way or the other my commitment for a 0% tax increase. It has nothing to do with it.

I guess there are those that operate on the theory that if you tell an untruth often enough people will start to believe it. I will state that if information continues to be distributed that is untrue and unfounded I will continue to respond using all avenues at my disposal.

I sincerely hope everyone understands my commitment to deliver on my promises during the campaign, I will do my level best to deliver. As I mentioned earlier if you have a concern or issue you wish to discuss I am as close as the telephone or by email.

During the election campaign my platform stated that we would introduce a program of informal drop in sessions for residents and taxpayers to meet members of council and to discuss items on your agenda not ours. We will be organizing that early in the New Year so stay tuned. They will be held out in the community on a set day, place and time for a once a month session. This will be well advertised during the month of January. I have implemented a weekly Mayor's Report which will be posted on our Township website starting in January, dealing with issues and events of public interest.

I am excited about the three years ahead of us, it will be very challenging, however with the co-operation of all council

members we will make significant progress on a variety of issues of concern to all of you.

At this time on behalf of all members of your council I would like to extend to all of our residents our wishes for a Happy and Safe Holiday and a Healthy, Happy and Prosperous New Year.